



CALPEEK

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CAMPAIGN '02: CHARGE OF ILLEGAL FUNDRAISING BY DAVIS EXPLODES MASSIVELY IN SIMON'S FACE.

Editor's note: This strange story, which has now resulted in another major embarrassment to GOP gubernatorial candidate Bill Simon Jr., began halfway through the Oct. 7th debate with Demo Gov. Gray Davis. When Simon was given the opportunity to ask Davis a question, he asked if Davis had ever taken a contribution in the State Capitol building. Davis' fundraising has been a major focus of Simon's campaign. But clearly this question was an *ambush* for the post-debate news conference which followed. Here is our analysis & commentary...

...At the post-debate news conference Simon accused Davis of taking a \$10,000 contribution on Jan. 31, 1998 from COPS (Calif. Organization of Police & Sheriffs) when Davis was LG and running for governor. What made the attack different from other Simon attacks is that he said Davis received the check *inside the State Capitol* – a clear violation of law (misdemeanor), if true. Within minutes *Team Davis* was saying no such exchange took place inside then LG Davis' Capitol office. News accounts on the day in question have Davis in the L.A. area with then VP Al Gore. And think about this: Davis may be an aggressive fundraiser, but he isn't stupid enough to take a contribution in the Capitol and then be photographed!!!

...On what was Simon basing his accusation? Simon said the info about this "illegal exchange" came from COPS. The only thing Simon produced on Oct. 7th was a letter from the COPS lawyer (Tom Hiltachk) written to the FPPC outlining the COPS charge about the "illegal" contribution given to Davis in his Capitol office. The folks who were in charge of COPS back in 1998-2001 (were big Davis supporters) aren't the same ones who run the show today. In fact, the current leadership of COPS and Davis are *not* on friendly terms. FYI: When Davis declined to pay to be on the COPS slate mailer, COPS endorsed Simon for the general election. Simon's campaign consultants paid \$100,000 to be on the COPS slate mailer...

...The next day came the *photos* – proof that Davis took the

check. YES he did, but NOT in his Capitol office. The photos produced by COPS don't match the LG's office and there's been no redecorating in 4-5 years. Tons of egg on the face of Simon's inept campaign team, as well as a black eye for COPS. Sacto BEE columnist Dan Walters (no friend of Gov. Gray) walked out of the LG's office after inspecting it and pronounced the photos as "bogus." The photos were taken in a private home in L.A. The headlines on Oct. 9th were very damaging to Simon. The BEE's headline: *Simon accusation unravels.* The S.F. Chron's headline: *Simon's attack on Davis backfires...*

...So what went wrong? Everything! As a former federal prosecutor, Simon should have demanded a complete check by his campaign staff to make sure of all the facts before launching this ambush. This is a sign of poor judgment. But the blame for the botched ambush is being placed on Simon's campaign team. As one well placed GOP source told *Calpeek*, "Special prize for the phony pictures...not in the Lt. Gov's office, belongs to Rob Lapsley, campaign manager of the moment for Bill Simon." Lapsley is the guy in charge, but there's also finger pointing at Simon advisors Jeff Flint and Sal Russo. Bottomline: Simon really deserved better from his staff...

...What's it all mean? Even Simon's strongest supporters are dismayed and upset. The bigger question is whether Simon himself understands how much trouble he's in??? This newest screw up will seriously damage Simon's fundraising because GOP contributors won't throw money down the drain. Demos see this latest mistake as *a final fatal blow*. But there may be a silver lining for GOPers: perhaps some Republican contributors will switch their fundraising efforts to other down ballot candidates. Stay tuned...

CAMPAIGN 2002: NEWS MEDIA NOT GIVING RACE FOR CA SECRETARY OF STATE MUCH ATTENTION.

Editor's note: Of all the down ballot statewide constitutional offices, the CA Secretary of State is perhaps the most important next to the governor because the SOS is charged with protecting our electoral process. And beginning in 2004, there will be some big changes in the law, thanks to

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the screws up in Florida in 2000. Regardless of its importance, the battle to replace SOS Bill Jones(R) isn't getting the kind of news media attention it deserves. Here's our update & analysis...

... The two major rivals are Demo Assemblyman Kevin Shelley of San Francisco and businessman and former GOP Assemblyman Keith Olberg of Victorville. Shelley is the son of a former S.F. mayor and has solid name ID in the Bay area. He served on the S.F. Co. Bd. of Supes before his election to the Assembly. He's also known for having a hot temper – no secret. As for Olberg, a source suggested that some people in the federal witness protection program are better known. The only person who rivals Olberg in obscurity is Sen. Bruce McPherson of Santa Cruz, the GOP's LG candidate...

... Olberg coasted in the primary and won with 63.7% of the GOP vote over two under funded rivals. Olberg had *slate power*. Shelley's primary win was just the opposite: he faced two very solid rivals in March Fong Eu and Michela Alioto. Shelley won with 33.9% vs. 29.1% for Eu vs. 28.1% for Alioto. And Shelley spent his entire war chest of \$2-3 million. For the past few months Olberg has been bragging about his lead in cash on hand, but the new reports show that Shelley has surged ahead: \$1,120,000 cash vs. \$642,766 for Olberg. It's not really all that much for either because some sources believe you need at least \$2-3 million to make an "impression" on voters via tv. But given what the CA Demo Party has planned for its ground operation, we give an edge to Shelley...

... The polling data is split. The L.A. Times shows Shelley leading by 14 points (46% to 32%), while the Field Poll has Olberg ahead by 2 points (34% to 32%)...

... In terms of issues, these two are very different. Shelley is a liberal Demo and Olberg a conservative GOPer. On non-SOS issues, Shelley is pro-choice/Olberg pro-life; Shelley's record on protecting the environment is reflected in his endorsements from most all the key groups; on law & order issues, the support is split with Olberg getting backing from the CA State Sheriffs, CA Police Chiefs Assn. and COPS. Shelley's support from law & order groups comes from line-cop groups: CCPOA & PORAC...

... On issues which relate to the SOS's office, Olberg opposes Prop. 52 (Election Day Voter Registration), while Shelley supports it. On moving the election from March back to June, Olberg was in support of SB 1975, while Shelley says he voted NO on Sen. Ross Johnson's bill.

Shelley says it puts an undue burden on election officials. (FYI: Davis vetoed the bill). On the question of the *open primary*, there's been some discussion about putting another initiative on the ballot to give Calif. an open primary similar to either Louisiana or Washington State. For those who forgot, Calif.'s open primary law was tossed out as unconstitutional by the U.S. Supreme Court. Olberg says his support would depend on the language of the initiative (which he hasn't seen). Shelley is opposed: "I may like the food from Louisiana, but not their voting system." Stay tuned...

CAMPAIGN 2002: NEW POLL SHOWS SECESSION NOW TRAILING 53-43. BOTH SIDE GO TO VOTERS VIA TV.
Editor's note: Supporters of YES on F (secession of the San Fernando Valley from L.A.) got a boost from a new KABC-TV Eyewitness News poll which shows support for a city divorce is growing in the Valley. At the same time, NO on F just launched its first flight of tv commercials. Here's our brief update...

... Polling data first. The poll by Survey USA for KABC-TV shows NO on F leading citywide by a 53% to 43% margin. The polling was done Sept. 29-Oct. 1 among 551 likely voters citywide. However, YES on F increased its lead in the Valley: 57% YES vs. 38% NO. This part of the poll surveyed 612 likely voters in the Valley. The real significance of the data is that if these numbers hold – especially the 19 point lead in the Valley – it might encourage secession supporters to challenge the current *voting method* in court. And in a legal battle, it is possible a court might rule that NO citywide vote is required for the Valley or Hollywood to split from L.A. In other words, the only vote which counts is from the area directly impacted...

... Of course, the 19-point lead in the Valley could drop because the new NO on F/H tv spots hit the tube Oct. 8th. The spots will be on both broadcast & cable. L.A. United – L.A. Mayor Jim Hahn's main committee, has produced one :30-second spot and two :15-second spots for its first flight. The spots were produced by NO on F consultant Bill Carrick. The :30-sec spot is titled Odds and needless to say it's loaded with what the NO side says are the negatives of secession: higher taxes, cuts in services, fewer cops, more crime, higher water/power rates and no rent control. The opening line says, "*Secession is a gamble that's not worth taking.*" It's a very solid hit spot. The two :15-sec. ads are shorter versions of this first one...

... YES on F's main SFV Indep. Cmt. has a small budget of \$150,000 for cable tv. Political consultant Garrett Biggs (who is running for the council in the proposed city) has put

together a YES on F spot for cable tv, but it's unclear whether the YES on F committee will use it or one produced by its own committee. Hollywood's Indep. Cmt. has been on cable tv for about 2 weeks...

...FYI: **Follow The Money.** The SFV Indep. Cmt. report shows it has raised \$546,833 as of 9/30. The Hollywood Indep. Cmt. shows \$585,326 – with 90% coming from candidate Gene La Pietra. Hahn's *L.A. United* reported \$4.7 million raised – with \$3.3 million cash on hand vs. \$220,000 for the Valley. Stay tuned...

CAMPAIGN 2002: DRIVERS' LICENSE FOR ILLEGALS GET VETOED. LATINO CAUCUS WON'T BACK DAVIS.

Editor's note: A group of Latino State Legislators, angered over Gov. Gray Davis' veto of **SB 804/AB 60** to allow non U.S. citizens to obtain Calif. drivers' licenses, decided not to endorse Gov. Davis' reelection bid. Was this a smart political move by the Latino Caucus? Here's our analysis...

...A little background first. Beginning in 1988 and through 1993, the Demo controlled State Legislature passed a series of laws that stopped the DMV from issuing drivers licenses to persons who did not have a valid social security number and who couldn't produce proof of U.S. citizenship or legal residency in the U.S. The last bill, **SB 976** by former Demo State Sen. Al Alquist of Santa Clara Co., prohibited the DMV from issuing a drivers license to anyone who couldn't prove residency. SB 976 was carried in the Assembly by Louis Caldera(D-L.A.), who became Sec. of the U.S. Army in the Clinton Admin. Among those voting for 976 were Lt. Gov. Cruz Bustamante and former Assemblywoman Diane Martinez. Former State Sen. Ruben Ayala(D) also voted YES, but former State Sen. and current CDP Chair Art Torres abstained. The point here is that not all Latinos have the exact same views on this subject...

...The concept behind SB 804/AB 60 was pretty good. The devil was in the details. 804 was aimed at a pool of illegals who are not illegal in the traditional sense. These illegals are applying for U.S. citizenship through different INS programs but are legal residents. Only one problem: these folks don't have social security numbers. It's the old *Catch 22* and many of these people are probably driving without a valid drivers' license and may not carry insurance...

...Enter **9-11**. Before Gov. Davis would sign off on Gil Cedillo's AB 60, he needed an OK from the men & women in Blue – aka line cops, sheriffs, police chiefs. Sources tell *Calpeek* that Davis met with the cops and they outlined what was needed in SB 804/AB 60 to fix what the cops regarded as holes in the legislation. For whatever reasons, these holes

were not plugged and David vetoed the bills. Law & order sources say Davis really wanted to sign 804/60, but felt compelled not to sign for security reasons. During the debate (10/7) Davis said he would sign the bill IF the security concerns were addressed next year...

...Politically, there's little doubt that Davis senior advisor Garry South polled on this issue (and focus groups too). But without a law & order sign off on 804/60, this legislation was DOA. And while it might cost Davis some votes, the risk of letting these bills become law without cop support could have been a big mistake (a GOP tv hit piece waiting to happen)...

...As for the Latino Caucus, only 14 of the 22 members were present for the vote and has been noted, it only takes a single vote to kill an endorsement. Some sources think this NO endorsement and support for 804/60 may come back to haunt politically ambitious members of this caucus. Gov. Davis is the kind of guy who holds a grudge and so might some of his supporters – such as the cops and organized labor. One immediate casualty might be State Sen. Martha Escutia(D), who is challenging Sen. Sheila Kuehl for Senate President Pro Tem next year. Some think her bashing of Gov. Davis will cost her some key votes. Stay tuned...

CAMPAIGN 2002: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Here's another update on key initiatives facing voters on Nov. 5th...

☒ **Prop. 46** – This is the \$2.1 billion housing bond measure sponsored by Senate Pres. John Burton(D-SF). Field, PPIC and the L.A. Times have not surveyed on this bond measure, so it's hard to get an independent assessment. But YES on 46 – *The Coalition for Emergency Shelter & Affordable Housing* – claim they polled back in July and at that time Prop. 46 was favored by a solid 60%. Don't know if that figure is still holding up. From 1990 until 2001, almost no funds were put into housing for the poor, so this bond measure covers lots of turf: \$400 million for emergency shelter for homeless & battered women; \$910 million for permanent rental housing for seniors, the poor and disabled; \$400 million for down payments for low & moderate income potential home buyers; \$200 million for farm workers housing; and \$100 million to local govt. to cover the costs for setting up affordable housing...

...Support for 46 comes from the CA Building Industry Assn.; CA Chamber; Silicon Valley Mgt Group; and organized labor. Gov. Gray Davis, AG Bill Lockyer and Treas. Phil Angelides are big supporters, as is State

Sen. Bruce McPherson(R). So is former U.S. Sen. John Seymour(R). The budget for 46 is about \$5 million, but a more realistic figure is \$3-4 million...

☒ **Prop. 52** – This is the election day voter registration initiative – aka EDVR. NO on 52 – Citizens & Law Enforcement Against Election Fraud – have picked up 2 new daily newspaper endorsements: Inland Valley Daily Bulletin (Ontario) and the Press Enterprise(Riverside). YES on 52 (Californians for Election Day Registration) picked up the backing of the McClatchy papers (Sacto, Fresno & Modesto BEE), the Ventura Co. Star and the S.F. Bay Guardian...

...NO on 52, which has been strapped for money, finally got enough funding together to purchase 11-13 million pieces of slate mail. GOP slates include Calif. Voter Guide (Carey & Assoc.) and Non-Partisan Candidate Evaluation Council Voter Guide (Gilliard, Blanning & Wysocki). Demo slates include Voter Information Guide and Golden State Sr. Election Guide (Levine & Assoc.). Still not enough \$\$\$ for tv, but NO on 52 sources hope to have just enough money for a limited radio buy. YES on 52 has \$\$\$ for a solid tv & direct mail campaign...

...FYI: Several months ago the CA Demo Party went on record supporting 52, but in a strange twist the L.A. Co. Demo Central Cmt. three weeks ago endorsed the NO side, as have several local Demo clubs. While CDP Chair Art Torres wasn't especially concerned about a few clubs, he was obviously concerned about the big L.A. Central Cmt. and asked L.A. Co. Demo Party Chair Eric Bauman to have the central committee reconsider its NO on 52 stand. On Oct. 8th the Demo Central Cmt. voted to reconsider 52 and YES on 52 won an official endorsement by a 98 to 26 vote. Some of 26 who voted against the endorsement said they also were poll workers in L.A. County. These central committee members claimed that if 52 is approved, the already under-staffed poll worker force in L.A. will be overwhelmed and won't be able to protect the system against possible fraud...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Oct. 17-19	U.S. Hispanic Chamber of Commerce, L.A. Convention Center.
Oct. 21	Last day to register for November election.
Nov. 1	VICA's 14 th annual Business Forecast Conf. 7:30 a.m. Warner Center Marriott Hotel.
Nov. 5	Calif. General Election.
Nov. 17-21	IAPC annual conference, Rio de Janeiro.
Dec. 3-7	Nat'l League of Cities, Salt Lake City, UT
Jan. 15-18	AAPC annual conference, Wash. DC

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **War on Terror** – The U.S. House vote on H.J. Res. 114 – authorizing use of force against Iraq – comes just after Calpeek's deadline, so we'll wait until next week to focus on how Calif.'s Congressional delegation voted. It's clear that the coalition of GOP and Demos supporting the Bush White House position will win when all the votes are finally counted. But here's what's interesting on the Demo side: U.S. Rep. Howard Berman(D-Mission Hills) has emerged as Demo House Leader Dick Gephardt's "go to guy" on foreign policy and other key issues. Berman was the guy who negotiated with the WH on the bi-partisan resolution on Iraq. Berman also has a very long and solid relationship with GOP heavyweight Henry Hyde. It was Hyde and Berman who presented H.J. Res. 114 to the House Rules Committee just days ago. Berman is #2 ranking Demo (behind San Mateo Demo Tom Lantos) on the House International Relations Cmt...

...FYI: It is U.S. statutory policy (1998 Iraq Liberation Act – Public Law 105-338) to support efforts to remove from power the current Iraqi regime and promote the emergence of a democratic govt. to replace that regime. Note the date: 1998...

CALPEEK's NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● A sad note: the L.A. alternative tabloid New Times is no longer in business. The paper was killed in a deal with the parent company of L.A. Weekly. R.I.P...

● Ventura Co. DA Mike Bradbury will leave office Nov. 1st to join the Westlake Village office of Weston, Benshoof, Rochefort et al as a partner. Bradbury has been Ventura Co. DA for the past 24 years...

● Paul T. Gough has joined Bell, McAndrews, Hiltachk & Davidian as Of Counsel, working in the firm's Santa Monica office. Brian T. Hildreth has joined the firm's Sacramento office...

● Former L.A. Councilman Rudy Svorinich Jr. opens Svorinich & Assoc., 2500 Via Cabrillo Marina, #304, San Pedro, CA 90731 – (310)547-9404/ Former 15th CD deputies John Cozza and Mark Waronek are with the firm too...